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Dockets 222

PP No. 93-253

FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554  
2 NOV 1993

IN REPLY REFER TO:

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Honorable Benjamin A. Gilman  
House of Representatives  
2185 Rayburn House Office Building  
Washington, DC 20515-3776

93-253

Dear Congressman Gilman:

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

This responds to your letter of October 5, 1993, addressing the 2 GHz Personal Communications Services (PCS) proceeding, GEN Docket No. 90-314. Your constituent, Fred M. Knipp, President of Warwick Valley Telephone Co., expresses support for licensing PCS on a national basis.

On September 23, 1993, the Commission adopted final rules to govern PCS. The Commission allocated a total of 120 megahertz of spectrum for licensed PCS and adopted licensing areas based upon Basic Trading Areas (BTAs) and Major Trading Areas (MTAs); 60 megahertz of spectrum were allocated for BTAs and 60 megahertz for MTAs. The allocation for MTAs is composed of two 30 megahertz frequency blocks, while the allocation for BTAs is composed of one 20 megahertz frequency block and four 10 megahertz frequency blocks. Local exchange carriers may apply for PCS licenses on the same basis as other applicants.

In a companion Notice of Proposed Rulemaking to develop competitive bidding rules, PP Docket No. 93-253, the Commission proposed a two step procedure to allow bids for individual licenses and groups of licenses. Under the proposed procedures, the Commission would first accept individual bids for each of the licenses within a given market. Then, the Commission would accept bids for a combination of licenses across markets. If the bid for the combined licenses exceeded the sum of the bids for the individual licenses, the Commission would award licenses to the bidder who submitted the combined bid; otherwise, the Commission would award the licenses to the individual bidders. We are of the preliminary view that this procedure should ensure that the spectrum allocated to PCS will be put to its highest valued use, whether that be for nationwide, regional or local service.

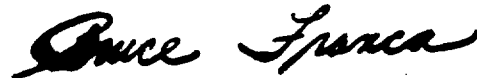
Thus, our decision will allow small telephone companies to form consortia to bid for regional or national licenses. The Commission also proposed licensing preferences in one 20 megahertz and one 10 megahertz frequency block for rural telephone companies, small businesses, and businesses owned by minorities and women.

Honorable Benjamin A. Gilman

2.

The Commission's decisions addressing PCS are designed to foster competition among PCS providers and between PCS providers and cellular radio operators and to ensure expeditious provision of PCS in both urban and rural areas. I am enclosing the press releases for the dockets addressed above that more fully describe the Commission's actions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tom Stanley".

*for* Thomas P. Stanley  
Chief Engineer

Enclosures

BENJAMIN A. GILMAN  
20TH DISTRICT, NEW YORK

FOREIGN AFFAIRS COMMITTEE  
(RANKING MINORITY MEMBER)

SUBCOMMITTEE:  
EUROPE AND MIDDLE EAST

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515-3220**

POST OFFICE AND CIVIL  
SERVICE COMMITTEE

SUBCOMMITTEE:  
POSTAL SERVICES AND  
OPERATIONS

October 5, 1993

Director, Legislative Affairs  
Federal Communications Commission  
Room 808  
1919 M Street, N.W.  
Washington, DC 20554

Dear Director:


I have received the attached communication from my constituent, Fred Krupp, President of the Warwick Valley Telephone Company located in Warwick, New York.

I would like express my support for the Warwick Valley Telephone and request your review and every consideration which can be given to this matter and ask that the request therein be complied with, if possible.

Please provide me with a report of your findings when your review has been completed and have the constituent's letter returned to the attention of Tom McConnell of my staff.

Thank you for your kind attention.

Sincerely,



BENJAMIN A. GILMAN  
Member of Congress

BAG:tdm  
Enclosure

**PLEASE REPLY TO:**

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NY 10706-1602  
☐ TELEPHONE: (914) 478-5550



Fred M. Knipp  
President

P.O. Box B, 47-49 Main Street  
Warwick, New York 10990-0502  
(914) 986-1101

September 17, 1993

The Honorable Benjamin A. Gilman  
United States House of Representatives  
Washington, D.C. 20515

Dear Congressman Gilman:

The Federal Communication Commission (FCC) will soon render its decision establishing the licensing provisions for new Personal Communications Services (PCS). That decision will determine the future development and the market structure of this new service which I expect to play an important role in the future of American telephone service by adding flexibility, mobility and lower costs.

The Warwick Valley Telephone Company is a local exchange carrier serving 18,000 customers in Orange County New York and Northern New Jersey. We have been providing telephone service for over ninety years through evolutionary and revolutionary changes in technology; from manual to rotary dial to touch-tone to digital switching and from open wire to cable to fiber optic and cellular transmission. Throughout these changes we have continued to provide modern telephone service to our customers. PCS is a new technology that can enable us to again increase the capabilities of telephone service; we need to adapt that technology to our market just as we have adapted the previous new technologies.

Small telephone companies such as ours can be lost in the struggles of the giants. I believe we can only have the opportunity to provide PCS to our customers by participating in a national consortium which obtains a national license and then develops a system with local operators. We support, and I urge you to support national licensing of PCS by the FCC.

Very truly yours,

A handwritten signature in cursive script, reading "Fred M. Knipp".